



# BgSE FINANCIALS LIMITED

CIN-U67120KA1999PLC025860

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## CIRCULAR TO AUTHORISED PERSONS/CLIENTS

Ref: BFSL/C&S/2019/08

Dated: 19<sup>th</sup> August, 2019

Dear Authorised Persons/Clients,

### Sub: Handling of Client's Securities by Trading Member/Clearing Member

This has reference to our circular Ref: BFSL/C&S/2019/05 dtd. 02<sup>nd</sup> July, 2019 in continuation to SEBI circular No. CIR/HO/MIRSD/DOP/CIR/P/2019/75 dated June 20, 2019, on the subject "Handling of Client's Securities by Trading Members/Clearing Members"

The contents of the SEBI circular is reproduced below:

***All TM/CM are required to transfer the clients securities received in pay-out to clients demat account within one working day. In case the client does not pay for such securities received in pay-out, then the TM/CM shall be entitled to retain those securities up to five trading days after pay-out. Further, where the client fails to meet its funds pay-in obligation within five trading days from pay-out day, the TM/CM shall liquidate the securities in the market to recover its dues. Under no circumstances, shall the securities of the clients received in pay-out be retained by the TM/CM beyond five trading days and be used for any other purpose."***

In view of the above ,

1. The securities received in pay-out against which payment has been made by clients, shall be transferred to the demat account of the respective clients.
2. with regard to securities received in pay-out against which payment has not been made in full by the clients, the securities shall be transferred to "Client unpaid securities account".
3. ***Where the client fails to meet its funds pay-in obligation within T+6 trading days, BgSE Financials Ltd shall liquidate the securities , in the market on T+7<sup>th</sup> day to recover its dues.***

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